Case 09-29905 Doc 420-1 Filed 04/08/10 Entered 04/08/10 18:43:47 Desc Exhibit Exhibits 1 thru 5 Page 1 of 48  $\square$ 

### CORBIN B. GORDON, P.C.

ATTORNEY AT LAW
345 WEST 600 SOUTH, SUITE 108
HEBER CITY, UTAH 84032
PHONE (435) 657-0984 • FAX (888) 822-8796
CORBINGORDON@YAHOO.COM

April 13, 2009

Gateway Center, L.L.C. c/o Vectra Management Group 424 West 33<sup>rd</sup> Street, Suite 540 New York, New York 10001 Attention: W. James Tozer, Jr.

Ms. Diane H. Banks
Fabian & Clendenin
215 South State Street, 12<sup>th</sup> Floor
P.O. Box 510210
Salt Lake City, Utah 84151

Re: Request for remediation of building code violation

Dear James:

I represent Cloud Nine Resorts, L.L.C., a tenant in your building at the Gateway Center. As you know, there is a concern that my client's leased space violates the safety code for a common path of egress, which requires a person to be able to choose two divergent paths within 100 feet.

Your architect Arrin Holt has indicated that there is no violation of the code, and referred my client to Phillip Hahn, Senior Staff Architect at the International Code Council. My client sent the drawing attached as Exhibit A to Mr. Hahn and received the e-mail attached as Exhibit B, indicating that it is his opinion there is a violation because the egress exceeds the 100 foot standard by 3 feet. As my client has stated in previous correspondence, at the 100 foot mark neither exit is viewable.

Based on Mr. Hahn's opinion my client has withdrawn from the space and will not occupy it until the building code violation is resolved. My client is simply unwilling to assume the liability of this known risk.

This letter is formal notice of my client's withdrawal from the space and its intent, starting fifteen days from the date of this notice to stop the payment of rent until the safety issue is resolved. If rent is withheld it will be in accordance with Richard Barton Enterprises, Inc. v. Tsern, 928 P.2d 368 (Utah 1996), wherein the court held that it is a breach of the covenant of quiet enjoyment (included in the lease at paragraph 22) where

Vectra Management Group April 13, 2009 Page 2 of 3

the complained of breach has a significant effect on the rental value of the premises. In the present case, the complained of violation creates a hazard that makes the space unoccupiable, thus making the space valueless.

My client does not want to be forced into this position. As such, there are three ways to resolve this issue and to provide the assurance my client needs to once again occupy the premises:

- 1) <u>City Inspectors</u>. The City inspectors have opined that the space is compliant even though OHSA is indicating it is not. If the City is willing to sign a formal letter certifying the space as compliant and indemnifying my client from liability the issue will be resolved.
- 2) Fix the problem. The space could become compliant by running a hallway through the office highlighted in Exhibit C. My client would expect rent abatement during any construction time, and reduction of the rental rate for the office space that will become a hallway.
- 3) Landlord applies to OHSA for a variance from the applicable standard under Utah Code Ann. § 34A-6-202. OHSA has regulatory board that allows for variances from the applicable building code standards. If a variance is formally granted my client will be satisfied and once again occupy the space. Rent abatement would apply during the administrative proceeding.

If no action is taken within the next fifteen days to remedy the situation, my client will contact the enforcement arm of UOSH with a formal complaint and request for investigation.

My client would like to avoid this approach as the involvement of UOSH removes the final capacity to resolve this dispute from both the landlord and tenant's hands. However, my client is unwilling to occupy a space that your own cited expert is indicating is non-compliant, and will not pay rent on space that is unsafe to occupy.

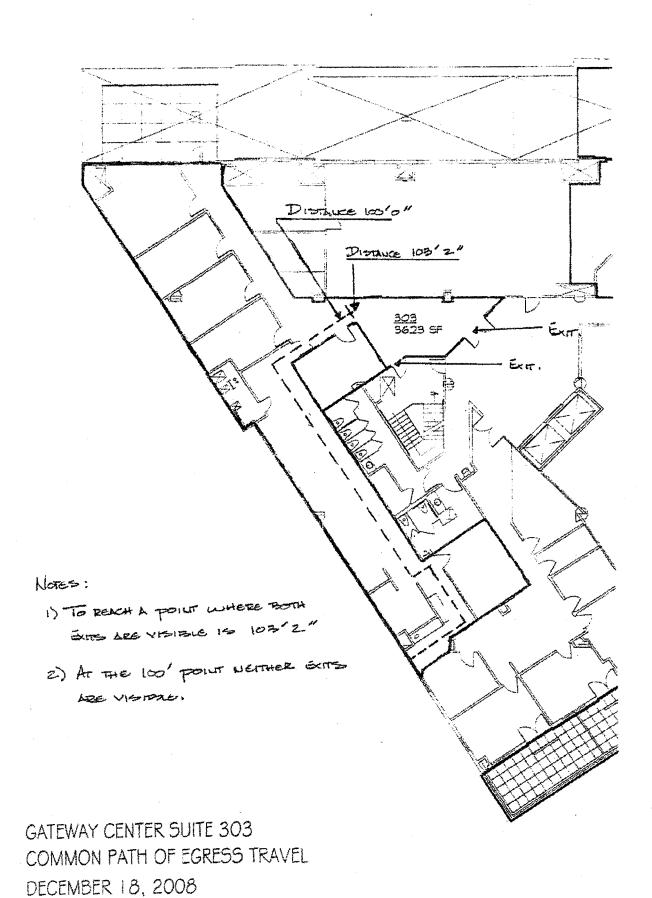
My client is open to any other suggestions that may resolve this problem, including the offer of different office space in the same building. Please let me know how you intend to proceed.

Corbin B. Gordon

Vectra Management Group April 13, 2009 Page 3 of 3

Cc: Paul Piper
Portfolio Manager - Asset Services
Commerce CRG - Park City office
614 Main Street, Suite 200
Park City, UT 84068

# **EXHIBIT A**



## **EXHIBIT B**

Fran "Philip Hahn" phahn@iccsafe.org>
Sunjac.
Care
March 6, 2009 8:02:31 AM MST

Tub "William Shoaf" <bshoaf@cloudnineresorts.com>

#### Bill.

Based on your sketch of 3/3/09, the common path of travel limitation for this tenant space has been exceeded by at least 3 feet. A common path of travel ends at the point where an occupant can choose two divergent paths.

Regards, Phil

Philip Hahn, RA

Senior Staff Architect
International Code Council

Attend new education sessions on Green Building, Disaster Response, Building and Fire Inspection, and more a Tour post-Katrina rebuilding sites, • Earn CEUs'LUs

Register Today for Codes Forum 2009, March 23–25, in fabulous New Orleans! Visit <a href="https://www.iccsafe.org/codesforum">www.iccsafe.org/codesforum</a>

From: William Shoaf [mailto:bshoaf@cloudnineresorts.com]

Sent: Tuesday, March 03, 2009 10:06 AM

To: Philip Hahn

Subject: Park City - Gateway Suite 303

Importance: High

Paul

Thanks for speaking with me yesterday.

Please see attached a clean floor plan of the leased space with actual measurements. The reality is that you can not see both exits until you reach the corner which puts you at 103 feet 2 inches.

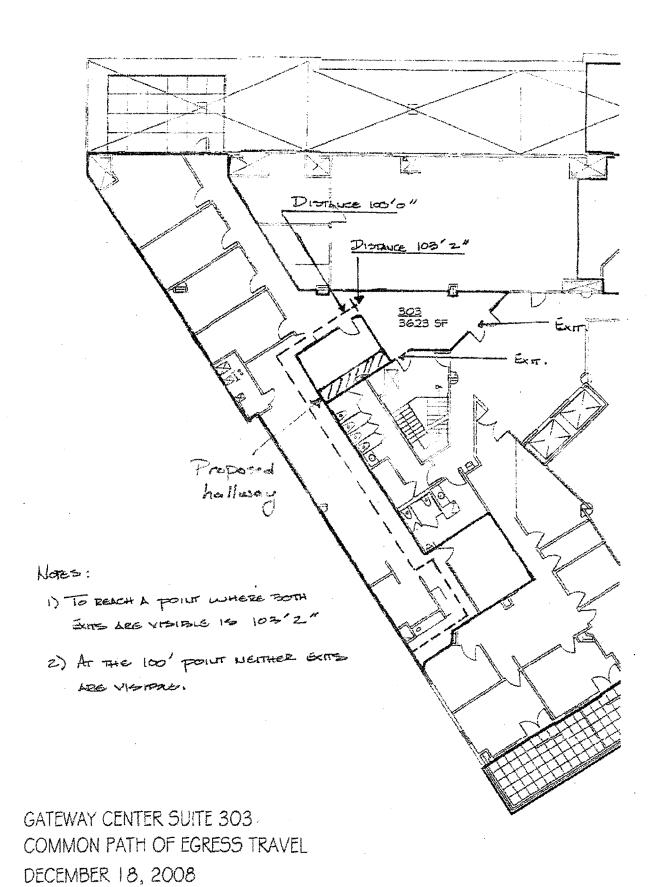
I will call you today to discuss and get your view on this.

Thanks again

Bill

William Shoaf Managing Director CloudNine Resorts 136 Heber Avenue, Suite 303 PO Box 683300 Park City, Ut 84068 Telephone: (435) 649.6649

## **EXHIBIT** C



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RE: Suite 3615-2900 BC P06442 - 101 Filed 04/08/10 Entered 04/08/10 18:43:47 Desc Exhibit 5 of 15
                               xhibits 1 thru 5 Page 12 of 48□
> arising in any way from i... use.
>
> ----Original Message----
> From: Arrin Holt [mailto:arrin@crsa-us.com]
> Sent: Wednesday, May 06, 2009 10:01 AM
> To: W. James Tozer Jr.; Wally Cooper; Paul Piper
> Subject: Suite 301 Egress - 06 IBC 1014.3 & 1016 (PH)
> Jim,
> Paul Piper, Bob (an associate of Bill Shoaf's) & I measured the travel
> distance in Suite 301 / 303 on Thursday April 30, 2009 with a rolling
> wheel tape. The travel distance measured along a natural walking path
> was 95'-4". We also measured a distance along a path with 90 degree
 > corners (as per the drawing Bill forwarded to Philip Hahn) and that
 > measured at 102'-6". As we were able to measure a travel distance
 > less
 > than 100'-0", I felt that this reinforced our position that the
 > space is
 > code compliant.
 > After Paul left the building I was approached by Bill & Bob and we
 > measured the distance a second time with the same result. We then
 > engaged in a lengthy discussion regarding who is to make the
 > determination of whether the space is compliant or not. Bill felt
 5/11/2009
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```
RE: Suite 301 Egress - 00 1BC 101 4.3 0 1101 File of 04/08/10 Entered 04/08/10 18:43:47 Desc Exhibits 1 thru 5 Page 13 of 48□
> that
> the email he received from Philip Hahn conclusively proved that the
> suite is not compliant, regardless of what Ron Ivie & Park City have
         I explained to Bill that Philip Hahn serves in an advisory role
> to code officials and that Ron Ivie is the authority having
> jurisdiction. Bill continued to present his case that with
> conflicting
> information, he requires a letter from someone to resolve the
> issue. I
> reminded him that CRSA is in no position to help him with this, as we
> are not the Park City code official.
> I returned to my office and sent the email below to Philip Hahn to
> clarify which approach, the natural walking path or 90 degree corners,
> is the most appropriate method for measuring the space. He replied by
> saying that either method is acceptable. His interpretation allows
 > for
 > the shortest distance, the natural walking path at 95'-4", to be
 > considered fully compliant with the travel distance provisions of the
 > 2006 IBC.
 >
 > If we can be of any further assistance, please let me know.
 > Thanks,
 > Arrin A. Holt, AIA, LEED AP
  5/11/2009
```

```
RE: Suite 301 Egress - 06 IBC 1014.3 & Exhibits 1 thru 5 Page 14 of 48 \Box
> Associate Principal / Project Manager
> CRSA
> 801.355.5915 Ext. 113
 ----Original Message----
> From: David Scott
> Sent: Tuesday, May 05, 2009 5:50 PM
> To: Arrin Holt
> Subject: FW: 06 IBC 1014.3 & 1016 (PH)
> David R. Scott
> Associate Principal
 > CRSA
 > Architecture * Planning * Design
 > 649 East South Temple
 > Salt Lake City, Utah 84102
 > 801-746-6833 Direct
```

> 801-706-4498 Mobile

5/11/2009

```
RE: Suite 367 Egress 2989 BC 1014 429-1016 Fileth 04/08/10 Entered 04/08/10 18:43:47 Desc Exhibits 1 thru 5 Page 15 of 48
> 801-355-5915 Main Ext. 13_
> 801-355-9885 Fax
> www.crsa-us.com
> drs@crsa-us.com
> ----Original Message----
> From: Philip Hahn [mailto:phahn@iccsafe.org]
> Sent: Friday, May 01, 2009 8:06 AM
> To: David Scott
> Subject: RE: 06 IBC 1014.3 & 1016 (PH)
>
 > David,
> This looks like a case of splitting hairs. In my opinion, either path
 > delineated in the two sketches is acceptable. A measurement made
 > along a
 > right angle path is to be used in rooms and spaces that are expected
 > to
 > be cluttered with furniture. In this instance that would not be the
 > case. I typically keep the path at least one foot away from permanent
 > construction, as you have done.
 > Regards, Phil
  > Philip Hahn, RA
  > Senior Staff Architect
  > Chicago District Office
  5/11/2009
```

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Case 09-29905 Doc 420-101 Filed 04/08/10 Entered 04/08/10 18:43:47 Desc Exhibits 1 thru 5 Page 16 of 48 \Box
> NEW! Check out ICC's FREE 2009 I-Codes(r) Overview Webinars at
> www.iccsafe.org/09free. Available 24/7 online - simply log in and
> learn
> about the new Codes - for free!
> ----Original Message----
> From: David Scott [mailto:drs@crsa-us.com]
> Sent: Thursday, April 30, 2009 5:24 PM
> To: Philip Hahn
 > Cc: Arrin Holt
 > Subject: FW: 06 IBC 1014.3 & 1016 (PH)
 >
 > Phillip,
 > Arrin Holt in my office has been working on this travel distance for
 > one
 > of our clients. He asked me if I would get an opinion from your
 > office.
 > Thanks in advance
  > David R. Scott
  > Associate Principal
  5/11/2009
```

```
RE: Suite 301 Egress - 06 IBC 1014.32-101 Fileth 04/08/10 Entered 04/08/10 18:43:47 Desc Exhibits 1 thru 5 Page 17 of 48
> CRSA
> Architecture * Planning * Design
> 649 East South Temple
> Salt Lake City, Utah 84102
> 801-746-6833 Direct
> 801-706-4498 Mobile
> 801-355-5915 Main Ext. 133
> 801-355-9885 Fax
> www.crsa-us.com
> drs@crsa-us.com
 > ----Original Message----
 > From: Arrin Holt
 > Sent: Thursday, April 30, 2009 4:13 PM
 > To: David Scott
 > Subject: RE: 06 IBC 1014.3 & 1016 (PH)
 >
 > Dave,
 > Could you please forward this to Phillip @ ICC?
 > You and my firm are becoming involved in a dispute between a code
 > official, a commercial tenant and a building owner. The issue at hand
 > is a common path of travel interpretation. We have a building which
  5/11/2009
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RE: Suite 301 Egress 200 fBC 00(4420-101 Filed) 04/08/10 Entered 04/08/10 18:43:47 Desc Exhibit 1 of 15
> has
> an internal suite of rooms, the most remote location within the
> suite is
> very close to the limit dictated by the common path of travel rule.
> Attached are two drawings which measure the exact same travel path in
> two different ways, we are looking for some guidance as to which
> path is
> most reasonable. Option #1 is a path comprised of 90 degree turns,
> Option #2 is a natural path, one that someone in imminent danger would
> be most likely to take. The dimensions on the plans were verified
> today
> with a rolling wheel measuring tape.
> Would you please render an opinion as to which path is the most
> reasonable interpretation of the common path of travel rule?
> If you would like to discuss this in greater detail, please feel
 > free to
 > call me at the number below.
 > Thank you for your consideration.
 > ----Original Message----
 > From: David Scott
 > Sent: Monday, February 02, 2009 4:13 PM
 > To: Arrin Holt
 > Subject: FW: 06 IBC 1014.3 & 1016 (PH)
 5/11/2009
```

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### CORBIN B. GORDON, P.C.

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PHONE (435) 657-0984 • FAX (888) 822-8796

CORBINGORDON@YAHOO.COM

September 17, 2009

Gateway Center, L.L.C. c/o Vectra Management Group 424 West 33<sup>rd</sup> Street, Suite 540 New York, New York 10001 Attention: W. James Tozier, Jr.

Ms. Diane H. Banks
Fabian & Clendenin
215 South State Street, 12<sup>th</sup> Floor
P.O. Box 510210
Salt Lake City, Utah 84151

Re: Notice of Breach of Lease and Request to Remediate

#### Dear James:

You will recall that I sent you correspondence on April 13, 2009 concerning a building code violation in my client's leased space. The issue was raised when UOSH inspected the property and indicated there was a violation. Since that time my client has dealt with both Park City and UOSH and neither will issue an indemnification letter stating that the property complies with existing safety codes. As such, my client has not been in the space for many months.

I recite this to emphasize that my client did not go looking for this problem. It came to him through a UOSH inspection he did not request. The issue is still outstanding and has not been resolved by either you or city officials.

Over the past three months, while being forced to look closely at ingress and egress issues, several additional lease violations have come to light. This letter is formal notice that the violations are occurring, with the requisite to immediately remediate the problems.

The violations are as follows:

VIOLATION # 1: CAMS charges are being used to pay for taxes, insurance, and maintenance on the parking garage in violation of section 3(b) of the Lease.

Gateway Center, L.L.C. Diane Banks September 11, 2009 Page 2 of 3

Published budgets establish that the Gateway Center and the parking garage are being operated as one entity, with no separation of taxes, insurance, services, or costs. The CAMS from the Gateway tenants appear to be paying all of the expenses associated with the parking garage, even though my client's lease states clearly that the parking garage is not a part of the Gateway Center.

This is a clear violation of the lease. Paragraph 1 of the lease defines Property as everything in the Gateway Center except the lower two parking levels. Under the provisions of paragraph 3(b) 1 through 6 my client is only supposed to be paying CAMS for its share of the Property (which excludes the parking garage) for the following: property tax, utilities, maintenance for common areas, insurance, and property management.

Investigation has revealed that the parking garage does not have its own separate meters for the purposes of utilities. There is nothing in the budget for two separate insurance policies, and it appears that management for both entities is being dealt with by the same service provider. This means that the Gateway Center tenants are paying for maintenance and management of the parking garage in violation of the lease, and suggests that every other tenant in the building has overpaid on CAMS in large amounts since the inception of the building.

My client demands that a full audit be performed on the Gateway Center and the Garage and that you prove that no CAMS from the Gateway Center are being used on the garage.

VIOLATION #2: There are no easements for ingress and egress through the parking garage, which is a violation of existing safety code, and the main level of parking is not ADA compliant.

First, I have analyzed the existing agreements and declarations that deal with the Gateway Center and the parking garage, as well as the recorded plat, and none of them address the need for ingress and egress easements through the parking garage for the Gateway Center. At present no such easements exist.

This may sound like a small problem, but it has been magnified by the fact that the parking garage plats have been illegally altered without city approval, adding 7 additional stalls and increasing the approved number of stalls from 84 to 91.

The additional stalls create additional safety violations, because they block where easements need to be for safe ingress and egress should a fire occur.

Next, the main level of parking, where all of my client's visitors are forced to park because the lower level is leased up private parking, is not ADA complaint. There is no ramp to get a wheelchair into the elevators from the main level of parking. The only way

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Gateway Center, L.L.C. Diane Banks September 11, 2009 Page 3 of 3

to access the building from the main level of parking in a wheel chair is to walk down the ramp, which is slick and icy in the winter, or go outside and around the building to the main entrance, which is also treacherous in the winter. This is completely unacceptable.

My client demands that the additional stalls be removed immediately, that the approved plat with areas for ingress and egress be restored, that easements be recorded through the parking garage for ingress and egress, and that the ADA issue on the main level be addressed. Failure to do so is a violation of the implied warranty of habitability part of every lease.

Under Section 19(b) of the Lease, if my client is in violation of a non-monetary breach, the landlord has a duty to give notice and 15 days to the tenant to remedy the problem. My client will hold the landlord to the same standard.

As such, my client demands that you provide proof that no CAMS charges are being used on the garage, and that the garage has been returned to its original plat with the addition of casements for ingress and egress to comply with existing safety and ADA codes no later than 15 days from the receipt of this letter.

If the appropriate proof is not provided in the time-frame set forth in the lease, my client will hold the Landlord in violation of the lease and abandon the premises.

Sincerely,

Corbin B. Gordon

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Diane H. Banks

Direct Telephone: (801) 323-2202 Direct Facsimile: (801) 532-3370 dbanks@fabianlaw.com

September 24, 2009

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED #7008-3230-0003-5414-5670

Corbin B. Gordon, P.C. 345 West 600 South, Suite 108 Heber City, Utah 84032

RE: Gateway Center

Dear Mr. Gordon:

We received your letter dated September 17, 2009, on September 23, 2009. There is no basis to demand a full audit of the Gateway Center, LLC (GWC), and the Main Street Entrance Garage, LLC (MSEG), as set forth in that letter. We can assure you that the operational costs for the garage are paid by the condo parking stall owners. That includes the Park City Municipal Corporation who owns all of the stalls on the upper floor of the garage and who pays for all of the electricity in the garage.

As a result, there is no basis for the claims you make in your letter concerning alleged lease violations. Further, as a practical matter, even if there were lease violations (which there are not), a violation would not give rise to a tenant's right to abandon the premises, as you threaten in the closing paragraphs of your letter. There is nothing giving rise to such an action in the lease itself; and, as Easy Street Partners, LLC has recently filed a bankruptcy proceeding, we note that abandonment is also not authorized by the bankruptcy code. The tenant may file a motion to reject the lease in the bankruptcy, or wait the sixty (60) day period for automatic rejection, but otherwise has no right to simply "abandon" the lease as you claim. We are providing a copy of your letter and this response to tenant's bankruptcy counsel to enable coordination of such an effort between your two offices.

We are investigating with Park City the claims made in your letter concerning alleged ADA violations relating to the upper level of the garage. If any such violations exist, the problem will be addressed expeditiously. However, you correctly acknowledge in your letter that Gateway Center does not include the parking garage. Note that the Easy Street Partners. LLC lease does not include any right to park in the garage. As a result, even if there were an

Corbin B. Gordon, P.C. September 24, 2009 Page 2

ADA violation within the garage, it could not be the basis for a claim that the lease was breached by such violation. There is simply no basis for abandonment on account of such a claim.

Very truly yours,

Dine N. Bolo

Diane H. Banks

DHB/der

cc:

Kenneth L. Cannon, II (with enclosures)

W. James Tozer, Jr.

Paul Piper

ND 4818-4981-4788, v. 1

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### CORBIN B. GORDON, P.C.

ATTORNEY AT LAW

345 WEST 600 SOUTH, SUITE 108

HEBER CITY, UTAH 84032

PHONE (435) 657-0984 • FAX (888) 822-8796

CORBINGORDON@YAHOO.COM

October 20, 2009

Gateway Center, L.L.C. c/o Vectra Management Group 424 West 33<sup>rd</sup> Street, Suite 540 New York, New York 10001 Attention: W. James Tozier, Jr.

Ms. Diane H. Banks
Fabian & Clendenin
215 South State Street, 12<sup>th</sup> Floor
P.O. Box 510210
Salt Lake City, Utah 84151

Re: Response to September 24, 2009 correspondence

#### Dear Diane:

I am in receipt of your correspondence dated September 24, 2009, wherein your client makes the statement that "We assure you that the operational costs for the garage are paid by the condo parking stall owners."

You will find attached as Exhibit A a copy of the yearly budget for the Gateway Center. You will note that it includes a section titled "PARKING LOT" establishing that the same company is managing both the garage and the Gateway Center.

There is a combined total of \$114,941.70 in various management fees and maintenance salaries in the budget. All of these fees and salaries are assessed to the Gateway Center as CAMS, while it is evident that the money is also being used to manage and maintain the garage.

You will also note that the budgeted amount for the parking garage is zero, meaning that your client claims there were zero dollars expended on the maintenance and management of the parking garage in 2009. Certainly, such cannot be the case. To avoid being in violation of the lease, your client must establish that not one penny of the CAMS fee goes to maintain or manage the garage. An analysis of the budget shows this to be untrue.

First, as stated above, the garage is not managing itself, and the CAMS fees are clearly paying to have it managed.

Diane H. Banks October 20, 2009 Page 2 of 4

Second, there are combined CAMS charges of \$47,500.00 for janitorial, \$9,980.00 for janitorial supplies, and \$6,589.56 for Disposal/Trash Removal. There are garbage cans in the garage that get emptied by the janitorial service. Further, the parking stalls in the garage service many who do not even work in the Gateway Center, meaning that any trash generated by the garage is its own. Presently, no portion of the budget is apportioned to the garage's share of these expenses.

Third, snow removal is charged at \$3,100.00 and supplies at \$1,102.00, with none of this shared by the garage. The garage has a large entrance way and snow that falls into that entrance. From what I understand, slush and ice carried in by cars creates a large standing pool of water in the entrance that requires constant maintenance. The budget makes clear that the CAMS from the Gateway Center is paying for this service.

The same arguments apply to Security and Patrol for \$5,760.00, and Accounting Services of \$6,350.00. Someone is managing the leasing of the parking spaces, and accounting for them, and someone is providing Security and Patrol of the garage itself. The budget establishes that these services are provided to the garage at the expense of the Gateway Center tenants.

Having now reviewed the budget my client has deep concerns about Management Fees, CAM management fees, Asset and Renovation Management Fees and Other Maintenance Salaries that combine for a collective cost of \$114,941.70. There seems to be no justification for a management fee this high, particularly where the Asset and Management Renovation Fee does nothing to repair or maintain the building – it is management only. It is my client's position that the CAM management fee and the Asset and Renovation Management Fee are nothing more than ways to extract additional money out of the tenants of the Gateway Center.

Given the evidence, your client will need to give much more than a simple assurance that the operational costs of the garage are paid by the parking stalls. My client insists on a full audit of the use of the CAMS charges, including an analysis of the unreasonably high management fees, and requests a full refund of any and all overpaid CAMS Fees.

Next, your correspondence does not address allegations that the plat of the parking garage has been illegally altered to add additional parking stalls that make the building as a whole unsafe, and your investigation of ADA violations has already confirmed non-compliance.

My client has duly noted an attempt to become ADA compliant on the first floor by simply moving parking blockades back off of their painted line, in an attempt to create a passage for a wheel chair. See Exhibit B. The act is an admission that the garage is not ADA compliant and in violation of the lease. Moving blockades does nothing to resolve the problem. Measurements show that there is only 38 inches between the car and the

Diane H. Banks October 20, 2009 Page 3 of 4

railing, which is too thin to get a wheelchair between, and the blockades are not secured. meaning that over time they will simply get pushed back to their original position. Further, if they are left where they are the parking stalls now violate city code for being too shallow.

Bigger still, however, is the problem of fire ingress and egress from my client's office space. In the case of a fire, my client has two primary exits: the west and east stairwells. Both have serious fire code violations.

First, the closest exit to my client's space is the west stair well. This goes down three floors and exits into a hallway in the garage (that no easement exists for) and from there into a 34 inch door that opens into 36 inch wide stairwell. Primary fire exits must be at least 44 inches in width, and possibly more depending on the occupancy load, meaning that the exit is non-compliant. The exit is also missing lit emergency exit signage.

Next, the stairwell climbs into an alleyway that serves as another primary exit for a staircase out of the Gateway Center, as well as a primary exit for three other buildings. The potential load on this alleyway in case of a fire would be hundreds and hundreds of people.

The path down the alley way to the street pinches down to 39 inches between a stairway rail and an existing power transformer. Within the 39 inches there is a mere 22 inches of sidewalk that falls approximately 3 inches into loose gravel, guaranteeing that in a panic situation someone will fall and cause a bottle neck and trampling. See Exhibit C. This alleyway could see hundreds of panicked people pushing through what one architect we consulted with called an "almost guaranteed death trap." This is not to mention further restrictions and complications if there were snow. The entire west exit is illegal, dangerous, and non-compliant.

Next, the east exit is also non-compliant because it does not have lighted signs leading to the exit. In a smoke filled environment, the staircase leads to a blockade. With no signage, a person could conclude there was no exit available. See Exhibit D.

Finally, concerning the failure to address my client's contention that the parking garage plat has been illegally altered, I have attached copies of the parking garage plat. You will note that there is an area directly in front of the elevators for ingress and egress. See Exhibit E. Next note Exhibit F, showing that the plat has been illegally altered to add an additional parking stall directly in front of the elevators cutting off ingress and egress except between cars that are off-times SUVs. This is entirely illegal.

This means that <u>not one</u> of the fire exits from my client's space is compliant. My client refuses to put his employees at risk, and feels strongly that that the Gateway Center is an accident waiting to happen.

Diane H. Banks October 20, 2009 Page 4 of 4

This is not to mention that public parking stalls 76, 77, and 78 are in an area of the garage that has to exit either through a 34 inch door into one exit, or through an area by the elevators that pinches down to 29 inches before exiting into the blocked parking stalls. See also Exhibit F. The whole building is non-compliant, and my client refuses to occupy space therein.

As such, your client is in material breach of its agreement by using CAMS to pay for costs associated with the garage, and by failing to resolve safety issues associated with fire ingress and egress.

My client gave your client opportunity to resolve these issues and to address the CAMS claims, and your client has failed to do so. As such, my client puts your client on notice that it will abandon the premises on October 31, 2009 for material breach of the lease, as set forth above and in prior correspondence. Based on your client's breach, my client has no further obligation under the lease, and demands that it receive a full refund for rent and CAMS for space it has not been able to occupy since early this year due to OSHA issues.

My client desires to settle this matter privately and move on. If such is not possible, it will have no choice but to bring the CAMS and fire issues to the attention of all tenants, and to pursue a collective case against the landlord for a refund of all overpaid fees through the years, as well as insistence that the building be brought into code compliance.

Sincerely,

Corbin B. Gordon

## EXHIBIT A

RECOVERABLE EXPENSES PAYROILL EXPENSES ADMINISTRATIVE SALARIES Building Manager Assistant Manager & Bookkeeper	TOTAL REVENUE	Sign Fee	Assignment Fee	Payking Form	Other Monthly Charmes		Fay Phone Income	Verding Machine Income	Beverage Sales	Deposit Forfeit	Damages & Cleaning Fores	Lease Concellation Fee	Transfer Fees		Arrest Carl Pape		ADD THE	Application raes	Subjet Fee	OTHER REVENUE	TOTAL REIMB, EXPENSE INCOME	Other Reimbursement	HVAC Maintenance Fee		Chiny Electric	Tenant improvements	Maintenance Recovery	Mgmt/Admin Fee	Monthly CAM Concession	Monthly Insurance	Monthly Spain Falary Taxes	Monthly CAM Income	HEMBURSABLE EXPENSE INCOME	NET REAT REVENUE	PIES: HAD DED! HECOVERY	Less: Write Oils	Less: Rent Abaltiment	Less: Delinquencles	Less: Concessions	Less: Vacancy	Perconana Rent	Roof Rept	RENT PIEVENUE	HEVENUE			
0.00	98,233.81	000	00.0	00.0	0.00	2 6		0,00	00.00	0.00	0,00	0.00	0.00	0.00	900	0.00	200	200	0.00	: !	24,650.40	0,00	0.00	3 5	9,00	0.00	0,00	1,229.76	0.00	0.00	. 000	23,420.64		79,589.41	3 5	: 5	000	0,00	0.00	0.00	0.00	000	73.583.41	!	UBL		
0.00	98,454.81	000	0.00	0.00	0.00	000	9 5	0.00	0.00	0.00	0.00	0.00	0.00	000	200		2 6	200	0.00	) )	24,650.40	0.00	0.00	3 8	2 5	000	0.00	1,229.76	0.00	0.00	0 00	23,420.64		73,804.41	2 5	0.00	0.00	0,00	D.00	0.00	0.00	0.00	73 FD4 41		Feb		
0.00	98,454.81	080	0.00	00,0	0.00	0.00	2,5	20.00	0.00	0.00	0.00	0,00	00.0	0.00	0.00	0.00		900	20.00	3	24,650,40	0.00	000	3 6	3 6	0.00	0.00	1,229.76	0.00	0.00	0,00	23,420.64		79,804.41	3 5	9 5	0.00	0.00	0.00	0.00	0.00	0.00	73.804.41		Mar		
0.00	85,443.83	000	200	00.0	0,00	00,0	000	3 2	0.00	0.00	0.00	0.00	0.00	0,00	0.00	900	38	9 5	3 6	3	21,373.42	00.0	0.00	30,00		00.00	0.00	1,017.78	0,00	0.00	9.00	20,355.64		64,070.41	9 5	200	2.00	0.00	0.00	0.00	000	0.00	64.070.41		Apr	1	
0.00	85,443.B3	0.00	9.0	00.0	0.00	0.00	000	200	000	0,00	0.00	00.0	0.00	0.00	0.00	000	3 5			3	21,373.42	0.00	90.0	0 6	0.00	000	000	1,017.78	0,00	00.0	0.00	20,355.64		64,070.41	3 5	0.00	9.0	0.00	0.00	0.00	0.00	0,00	64,070,41	-	VEW	Detailed By Month	ma Cherailni
0.00	85,443.83	0.00	20.00	0.00	0.00	00.0	000	200		0.00	0.00	0.00	00.0	0.00	0.130	000	000	250	3 6	3	21,373.42	0.00	0.00	0.00	0.00	3 6	9.0	1,017.78	0,00	0.00	000	20,355.64		64,070.41	0.00	0.20	3 6	0.00	0.00	0.00	0.00	0.00	64,070.41		lin .	Month	Ridoet
00.0	80,493.63	0.00	3.0	200	0.00	0,00	0.00	36.5	36	0.00	0.00	0.00	0.00	00.0	0.00	0.00	0.00	9.00	9 5	<b>3</b>	21,373.42	0.00	0.00	0.00	200		900	1,017.78	00.0	0.00	00.0	20,355.54 n nn		65,120.41	999	3 5	9.0	0.00	0.00	0.00	0.00	0.00	65,120,41		E		
0.00	86,602.13	000	0.00	0.00	0.00	0.00	00.0	000	200	0.00	0.00	00.0	0.00	0.00	0.00	0.00	0.00	000	9 5	2	21,373.42	0.00	000	000	00.0	2 5 5 5	300	1,017.78	0.00	0.00	00.0	20,355.64		65,228.71	00.0	3		0.00	0.00	0.00	0.00	0.00	65,228,71		Aug		
0.00	86,709.07	0.00	000	000	0.00	0.00	00.0	0.00	980	9.00	0.00	0.00	0.00	0.00	0.00	0.00	00.0	0.00	200	2	21,3/3.42	0.00	00.0	0.00	00.0	o ::	3 5	1,017,78	0.00	0.00	0,00	20,355.64		65,329.85	0.00	9.00	3 5	0.00	0.00	0.00	0.00	0.00	65,329,65		Sep		
0.00	86,703.07		00.0					0.00	00.00	5 5 5 5	88	0,00	0.00	00.00	0.00	0.00	. 0,00	0.00	0.00	2	21,3/3.42	0.00	0,00	0,00	0.00	n.o.o	0.00	1,017.78	0.00	0.00	0.00	20,355.84		53,025,58	0.00	9.00	a (.	200	ann	00.0	0,00	0.00	65,329.65		Oct		
0,00	86,803.07		0.00		5	0.00	0,00	0.00	0,00		0.00	000	0.00	0.00	00.0	00.0	0.00	00.0	000	000	21,313.46	D D D	0.00	0.00	0.00	00.0	3 C	1,017.78	00.00	0.00	00.0	00.0 Ferencios		65,429,65	0,00	0.00	000	9.00	200	00.0	0,00	0.00	85,428.65		Nov		
0 0.00	87,168.07		00.00										0.00		0.00	0.00	0.00	0.00	0.00	0.00	0 5 p. 0 1 50 m.m.c.	מי מייני זיי	0.00	00'G	00.0	0.00	0.00				0.00	0.00		55,794.65	0.00	00.0	0.00	ere ere	200	0.00	00.00	0.00	65,794.85		Dec		
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GENERAL REPAIRS & MAINTENANCE Exterior: Structural Repairs & Maintenance Exterior: Roof Repairs Exactor: Stativays Carpet/Tile Repairs Janilorial Janilorial Janilorial-Supplies Doors/Windows-Exterior Electrical/Lighting Electrical/Lighting Electrical/Lighting Floor Cteaning Hvar-Supplies Locks & Keys Painting-Supplies Cocks & Keys Painting-Supplies	UTILITY EXPENSES Electric Common Area Gas Common Area Water Common Area Sewer Disposal/Trash Removal TOTAL UTILITIES	MAINTENANCE SALARIES Divisional Maint Mgr Maintenance Marnager Asst Maintenance Mgr Maintenance Mgr Maintenance Mgr Maintenance Assistant Temporary Help Other Maintenance Salarias Bonuses Payroll Taxes Payroll Taxes Payroll Taxes Insurance Benefits 401K Centribution Workers Compensation Premium Uniforms Other Payroll Expenses TOTAL MAINTENANCE SALARIES TOTAL PAYHOLL EXPENSES	Leasing Manger Conclerge Fitness instructor Temporary Help Other Administrative Salaries Bonuses Payroll Taxes Insurance Benefits 401K Contribution Workers Compensation Premium Uniforms Other Payroll Expenses TOTAL ADMINISTRATIVE SALARIES
0.00 0.00 0.00 0.00 0.00 0.00 400.00 180.00 180.00 100.00 100.00 100.00 0.00	500.00 483.00 342.00 775.00 548.13	3,931.00 3,931.00 0,00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
0.00 0.00 0.00 0.00 3,960.00 0.00 3,000.00 0.00 0.00 0.00 0.00 0	\$10.00 463.00 971.00 0.00 549.13 1,803.13	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	Feth 0,001 0,000 0,000 0,000 0,000 0,000 0,000 0,000 0,000
0.00 0.00 0.00 0.00 0.00 0.00 180.00 0.00	500.00 310.00 371.00 0.00 546.13	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	Mar 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.
1,800,00 0,00 0,00 3,950,00 180,00 180,00 700,00 160,00 160,00 500,00 0,00 500,00 0,00 500,00 0,00 500,00 0,00 500,00	500.00 236.00 371.00 775.00 548.13	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	200 0.00 0.00 0.00 0.00 0.00 0.00 0.00
0.00 0.00 0.00 3,850,00 2,860,00 0.00 100,00 100,00 100,00 0.00 500,00 0.00	500.00 144,00 349.00 649.13	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	2009 Operating Budget Detailed By Month May Jun 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,000 0,0 0,000 0,000 0,000 0,000 0,000 0,0 0,000 0,
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0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	500.00 83.00 512.00 0.00 548.13	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	Aug 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.
0.00 0.00 0.00 0.00 3,950.00 0.00 180.00 0.00 0.00 0.00 0.00 0.0	500,00 83,00 512,00 0,00 549,13	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	Sen 0,00 0,00 0,00 0,00 0,00 0,00 0,00 0,
0.00 3,950.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	500.00 117.00 616.00 776.00 549.13	3,931.00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0	500.00 518.00 518.00 0.00 548.13	3,931.00	Nov 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.
0,00 0,00 0,00 0,00 0,00 0,00 100,00 0 0,00 0,00 0 0,00 0 0,00 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	500,00 858,00 448,00 0,00 549,13 2,153,13	4,606,00 4,606,00	0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.0
1,500.00 2,500.00 2,500.00 47.400.00 47.400.00 9,990.00 1,600.00 7,000.00 1,600.00 4,790.00 0,000.00 1,000.00 1,000.00 1,000.00 1,000.00 1,000.00	6,000.00 3,286,00 6,307,00 3,190,00 9,589,56 24,282,56	9.00 9.00 9.00 9.00 9.7.847.00 9.00 9.00 9.00 9.00 9.00 9.00 9.00	Traint 0.00 0.00 0.00 0.00 0.00 0.00 0.00 0.

barners & riags Collateral Materials Marketing-Other Mkt Studies	LEASING & MARKETING Advardsing-Printed Media Advardsing-Production Expense Advardsing-Other	GENERAL & ADMINISTRATIVE	TOTAL REPAIRS & MAINTENANCE	TOTAL SAFETY SERVICES	Fire Exclinguishers-Supplies	Fire Extinguishers-Contract	Firefully Safety	Alams & Talechana Monitorino	SAFETY SERVICES	TOTAL RECREATIONAL FACILITIES	Work Out Facilities Repairs & Maint.	Work Out Equipment-New	RECREATIONAL FACILITIES Work Out Equipment Service Agreements	TOTAL LANDSCAPING & GROUNDS	Plants & Flowers	Landscaping Supplies	Lawn Sprinker & Imgalion Hapaks	Snow Removal-Supplies	Snow Removal	LANDSCAPING & GROUNDS	TOTAL DADRACK DESCRIPTION	Parking Lot Rental	Parking Lot Resurfacing	Parking to Plastining	Parking Loi Cleaning & Sweeping	DIALECUIPMENT	Equipment Service Agreements	Equipment Supplies	Equipment-New	COUPMENT	TOTAL GENERAL REPAIRS & MAINT.	H&M Supplies-Other	FL&M-Cher	Windows Cleaning	Plumbing-Supplies	Plumbing	Pest Control Plants-interior			٠
0,00	0.00		10.511.00	1,210,00	800	0.00	500.00	00.000		0.00	0.00	9.00	0.00	1,450.00	00.0	0.00	2 5	250.00	1,200.00	2.00	2.00	200	0.00	3.50	0.00	106.00	106.00	0.00	3.0		7,745.00	100.00	520.00	0.00	o p	500,00	00.00 0.00	Jan		
0.00	2 0 0 0		12,211.00	540.00	2 6	0.00	0.00	80.00	5	0.00	0.00	80.8	0.00	950,00	0.00	0 00	2 2	250.00	700.00	G.XXX	0.00	9.0	000	9 5	0.00	106.00	106,00	00.0	200		10,818,00	2 6	520.00	00.0	1 000	0.00	00.09	Feb		
0000	0.00		7,261.00	540.00	9.9	0.00	0.00	60.00	3	0.00	00.0	200	0.00	450.00	0.00	000	3 5	250.00	200.00	, , ,	3 5	200	0.00	8 8	2.8	106.00	106,00	0.00	0.00		6,185.00	9.0	520.00	000		0.00	160,00	Mer		
0000	0.00		11,561.00	2,710,00	900	0.00	500,00	230.00	Š	00.0	0.00	200	00.0	0.00	0,00	0.00	9.00	0.00	0.00	Š	0.00	2 6	0,00	2 6	0.00	106,00	108.00	0.00	30		8,745.00		520.00	0.00	9 6	0.00	00.081		20	
0.00	0.00		10,481.00	540.00	3 8	0.00	000	60,00	in a	00.0	0.00	200	0.00	0.00	8	0.00	25	200	0.00	Ġ	2000	20	0,00	2 2	200	106.00	108,00	0.00	0.00		9,815.00	3 E	520.00	850.00	9 6	500.00	160,00	Мау	2009 Operating Budgel Detailed By Month	į
0.00	0,00 0,00 0,00		9,353.00	640.00	ə c.	0.00	0.00	00.00	3	0,00	0.00	300	000	792.00	0.00	707.00	20.00	8 8	0.00	. 6	350	38	00.0	000	88	00.00	108.00	000	38		7,915.00	3 C	520.00	0.00	250.00	0.00	180.00	lus I	Month Habbild	
D D 00	0.00		12,141.00	1,210.00	0.00	0.00	500,00	230,00	490 40	0,00	90.0	3 6	0.00	410,00	000	125.00	00.00	00.00	0.00		20.00	200	0.00	000	80.0	205.00	108.00	0.00	20.00 00.00		9,815.00	20.00 20.00 20.00	520.00	00.00	p 6	0.00	160,000	, iii		
0.00	00000		8,396.00	540.00	200	0.00	0.00	60.00	À,	000	0.00	9 2	0,00	405,00	00.0	90.00	50.00 20.00	200	0.00		000	3 8	00.0	88	900	100.00	106.00	0.00	300		7,345,00	9 5	520.00	0.00	9,9	500.00	160.00	Aug	,	
0.00	0.00		7,911.00	540.00	p 5	0.00	0.00	60.00	480 OS	0.00	0.00	C C C	000	100.00	0.00	00,00	p 9	0.00	0.00		000	0.00	00.00	00.0	0.00	100.00	00.00	0.00	0.00		7,165.00	000	520.00	000	00.00	2 00	160.00			
0.00	0.00		9,721,00	1,210.00	0.00	0.00	500.00	220.00	480.00	0,00	0.00	000	. 0.00	400,00	0.00	00,00	000	70.00	100.00	<u>!</u>	000	90.0	0.00	0.00	92.0	00.001	Man	0.00	0.00		8,005.00	000	520.00	850.00	250.00	0.00	160.00			
	0.00		9,161.00	540.00	0.00	200	0.00	80,00	480.00	0.00	0.00	94.0	0.00	350,00	0.00	0.00	0.00	150.00	200.00		0.00	000	0.00	0.00	0.00	porabi	M'ant	0,00	900		8,165.00	00.0	520.00	0.00	0.00	3 00	160.00	Nov		
	0.00		9,681.00		0,00					0.00	0.00	0.00	00.00	850.00	0.00	0.00	0.00	00.00	700.00		0.00	0.00	0,00	00.0	0.00	100.00	100.00	0.00	e e 8 8		8, 165,00	588	00,020	0.00		9.9		Dec		
	00.0		118,349.00		1,5	90.0		1,400.00			,		0.00					755.00			0.00	00.0	0,00	00,0	0.00	6,076,000	20200	0,00	0.00 00.00		99,460.00			1,700.00		00.0	3,920.00			

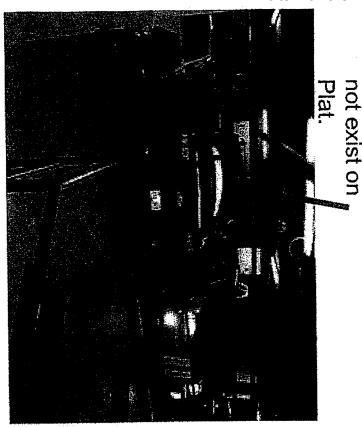
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NON-RECOVERABLE EXPENSES  ADMINISTRATIVE EXPENSES  Accounting Services  Answeling Service  Association Dues  Auto Expenses  Bad Debt Expense  Barking Feas  Computer Services & Frees	TOTAL RECOVERABLE EXPENSES	TOTAL G & A EXPENSE	Other Taxes	PROPERTY TAXES Pleal Property Taxes Special Assessments	TOTAL INSURANCE	INSURANCE Property/Liability Insurance Insurance - Other 1.	TOTAL MANAGEMENT FEE	MANAGEMENT FEES  Management Fee  CAM Management Fee	TOTAL ADMINISTRATIVE EXPENSES	Telephone-Cell Phones	Telephone	Printing, Coping & Fax	Pagers	Office Supplies	Office Equipment	Liganses, Fees & Parmir	Late Fees	Eviction & Legal Fees	Employee Training & Education	Employee Recruition	Employee Mileage & Travel	Dues & Subscriptions	Credi Verticalon From	Computer Services & Faes	Banking Faes	Bad Debt Expense	Aub Expenses	Association These	Accounting Services	ADMINISTRATIVE EXPENSES	TOTAL LEASING & MARKETING	Signature	Lobby Message Board	Lobby Furnishings		
9,00 0,00 0,00 0,00 0,00 0,00 0,00 0,00	25,788.63	4,302.00 8 445 50	0.00	4,302.00 0,00	971.75	743.00 228.75	3,411.75	2,943.34 468.41	0.00	0.00	00.0	0.00	2.00	0.00	0.00	0,00	0.00	0.00	0.00	200	0.00	0,00	9 5	0.00	0.00	00.0	0.00		0.00		00.0	0.00	0.00	0.00		
8.00 80.00 9.00 9.00 9.00 9.00 9.00	26,739.47	4,3U2,00	0.00	4,302.00 0.00	971.75	743.00 228.75	3,420.59	2,952.18 468.41	0.00	0.00	00.0	0.00	0.00	0.00	0.00	9 6	0.00	0.00	00.0	9.00	0.00	0.00	00.00	0,00	0.00		3 E	3 5	0.00		00.0	2 E	20.0	0.00		
0.00 0.00 0.00 0.00 0.00 0.00	21,616.47	4,342,00	0.00	4,302.00 0.00	971.75	743.00 228.75	3,420.59	2,952.18 468.41	0.00	9.00	000	S 5	900	0.00	900	900	0,00	0.00	20.00	9 6	0.00	00.0	2.5	0.00	0.00	00.0	2 5	3 6	0.00		00.0	200	0.00	0,00		•
0.00 0.00 0.00 0.00 0.00 0.00	26,166.81	4,302,00	0.00	4,302.00 0,00	971.75	743.00 228.75	2,960.93	2,562.82 407.11	0,00	0.00	0.00	D	00.0	0.00	0.00	0.00	0.00	0.00	0.00	200	0.00	9.9	9.00	0,00	0.00	0.00	2 C.C.	) (00.00 (00.00	0.00		0.00	200	0.00	2.00 0.00		N
6,350.00 0,00 0,00 0,00 0,00 15,00 0,00	24,177.81	9,302,00	000	4,302.00 0.00	971.75	743.00 228.75	2,869.93	2,562.82 407.11	0.00	0.00	00.0	3 5	9.0	0.00	000	0.00	0.00	0.00	000	200	0.00	0.00	0.00	0.00	0.00	0,00	0.00	200	0,00		0.00		0.00	000'0 ANEW	Detailed By Month	2009 Operaling Budge
0.00 0.00 0.00 0.00 0.00	23,104.81	4,302,00	0.00	4,302.00 0,00	971.75	743.00 228.75	2,969,93	2,582.82 407.11	0.00	0.00	0.00	2 2	200	0,00	0.00	9.00	00.0	9.0	00.0	200	0.00	000	200	0,00	00.0	0,00	) (2) (2)	0.00	0.00		0,00	9 00	0.00	00.0 Unit	Month	o Budget
0.00 0.00 0.00 0.00 15.00 0.00	26,715.81	9,302.00	0.00	4,302.00 0.00	971.75	743,00 228.75	3,011.93	2,804.82 407.11	00.00	0.00	00.0	200	8.0	0.00	0.0	9 E	0.00	000	00.0	9 8	0.00	0.00	0.00	0,00	0.00	0.00	0 C. C.	90,00	0.00		0,00	o .c.	0.00	0.00		
0.00 0.00 0.00 0.00 0.00 0.00	22,261.14	8,302.00	000	4,302.00 0.00	971.75	743,00 220,75	3,016.26	2,609.15 407.11	0.00	0.00	0.00	0.00	0.00	0.00	0,00	9.0	0.00	0.00	0.00	200	0.00	9 6	200	0.00	0.00	00 5	0.00	0.00	0.00		0,00	3 5	0.00	0.00		
0.00 0.00 0.00 0.00 0.00 0.00	21,780.18	9,302.00	0.00	4,302.00 0.00	971.75	743.00 228.75	3,020,30	2,613.19 407.11	0.00	0.00	0.00	0.00	0.00	00.0	0.00	90.0	0.00	0.00	0.00	300	0,00	000	0.00	. 0.00	0.00	00.0	200	0.00	90,0		00.0		0.00	0.00	ı	
0.00 16.00 0.00 0.00 0.00	24,503.18	B.294,05	000	4,302,00 0.00	971.75	743.00 228.75	3,020.30	2,613.19 407.11	0.00	0.00	0.00	0.00	8.0	0.00	0.00	200	0.00	0.00	0.00	00.0	0.00	0.00	2.03	0.00	0,00	0.00	0.00	0.00	0.00	•	0.00	3 2	0.00	0.00	ı	
0.00 0.00 0.00 0.00 15.00 0.00	23,473.18	8,298.05	0.00	4,302.00	971.75	743.00 229.75	3,024.30	2,817.10 407.11	0,00	00.0	0.00	0.00	929	0.00	00.0	929	0.00	9,0	00.0	9.9	0.00	000	95.0	00.0	0.00	0.00	0,00	0.00	0.00		00.0	200	0.00	0.00		
0.00 0.00 0.00 0.00 0.00	24,732.78	8,312.85	00.0	•	971.75	743.00 228.75	3,038.90	2,631.70 407.11	DATO	0.00	0.00	88	3 8	0.00	00.0	200	0.00	0,00	0.00	000	0.00	000	200	0.00	0.00	000	2 5 5 5 5	200	0.00		0.00			Da.		
6,350.00 6,00 00.0 00.0 00.0 00.0 00.0 00.0	291,050.26		51-82		11,661.00	8,916.00 2,745.00	37,294.70	32,225,45 5,069,25	0.00	0.00	0.00	0.00	00.0	0.00	0.00	0.00 0.00	0.00	0.00	0.00	00.0 T.00	0.00	00.0	3 E	0.00	0.00	0.00	3.5	30.0	0.00		0,00	9 S.S	0.00	0.00		

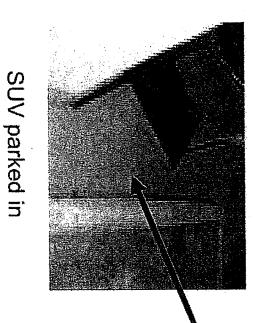
	Banners & Frags Collaberal Materials Marketing-Other	LEASING & MARKETING Advantising-Prainted Media Advantising-Praduction Expensa Advantising-Other	TOTAL REPAIRS & MAINTENANCE	Other (Non-CAM Owner Palu)	Saley Services	Recreational Facilities	Parking Lot	Equipment	R&M Supplies - Other	ABM - Other	Windows Cleaning	Plumbing - Supplies	Plumbing	Plants - Interior	Painting - Supplies	Painting	Locks & Keys	. HVAC - Supplies		Elevator	Electrical/Lighting - Supplies	Electrica/Lighting	Optis/Windows - Interior	Charles - Supplies	Janloid	Carpot Repairs	TOTAL ADMINISTRATIVE EXPENSES	Assel & Renovation Mgmi Fee	Telephone-Cell Phones	Printing, Coping & Fax	Postage / Delivery	Chica cuppines	Office Equipment	Licenses, Fees & Permits	Laid Teles	Eviction & Legal Faes	Employee Training & Education	Employee Recruiting	Continue Deconition	Dues & Subscriptions	Credit Verification Fees	) !		
	0.00	0000	1,513.00	413.00	0.00	0.00	0.00	0.00	150.00	500.00	2.0	0,00	0.00	0.00	0.00	0.00	0.00	00.0	00 USe	0.00	0,00	0,00	9 5	000	100.00	0.00	3,827.00	2,900.00	35.08 25.08	5.00	30.00	25.5	0.00	0.00	75 CE	200	0.00	D, C,	) (C	212,00	0.00	dan		
	225.00	0.00	1,517.00	417.00	9.0	0.00	00.5	3 5	150.00	90,002	200	000	00.0	250	00.0	0.00	0.00	0.00	20.00	000	0.00	000	950	00.0	100.00	0.00	00.066'z	2,900.00	35.00	500	30.00	. 0.00	00.0	0.00	3 5	26	0.00	000	3 5	0.00	000	Feb.		
	0.00	0.00	1,517.00	417.00	900	0.00	000	0.00	150,00	600.00 01.10	0.00	0.00	0.00	96	0.00	0.00	0.00	0.00	90.00	900	0.00	0.00	9 8	200	100.00	0.00	2,990.00	2,900.00	35 25	5,00	30.00	300	0.00	0,00		0.00	0.00	6 5	3 5	0.00	0.00	Mar		
	0.00	D D D D D D D D D D D D D D D D D D D	1,517.00	417.00	9 2	0.00	0.00	200	150.00	500,00	900	0.00	90.0	7 C	9,5	0.00	0.00	0.00	300	900	00.0	0.00	3 50	000	00,00	00,00	3,615,00	2,900.00	3 S	5,00	30,08	200	00,00	0.00	200	0.00	0.00	0.00	3 5	0.00	0.00	Apr	¥.	3
	0.00	0.00 0.00	1,517.00	417.00	3 8	0.00	0.00	200	150,00	500,00	9 50	90,0	9.00	3 50	200	0.00	00,0	0.00	30.00	80.0	0.00	000	3 5	200	90.00	0.00	9,340.00	2,900.00	3 S	5.00	30.00	9,00	90.00	000	3 5	9.00	00.0	p 5	3 5	0.00	0.00	May	Detailed By Month	On Owner than
	0.00 0.00 225.00	<b>0.00</b>	1,517,00	417.00	200	0.00	0 5	200	150.00	500.00	3 5	0,00	66	3 5	, p, c,	0.00	000	0.00	or of	0,00	0,00	00.0	350	0.00	00.00	0.00	2,990.00	2,900.00	500	5,00	30.00	9 6	000	0.00	2 5	88	90.0	00.00	3 5	0.00	0.00 0.00	lun.	Habonet Habonet	
	0.00 0.00 225.00	0.00	1,517.00	417.00	90.0	0,00	200	200	90.00	90,003	2 5	00,0	0.00	) S	9 9	0,00	0.00	0.00	25 CS	208	0.00	0.00	3 5	9 5	00.00	0.00	00'518'E	2,800.00	3 5 5 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	5.00	30.00		0.00	0.00	35 C.C.C.	0.00	00.0	0.00	3 5	0.00	90,0	E		
	0.00 0.00 225.00	0.00	00.7191	417.00	0,00	0.00	0.00	2,00	150.00	500.00	3 5	0.00	0.00	3 5	200	0.00	200	00.0	36.60	9.00	0.00	0.00	38	3.00	00,00	0.00	3,407.00	2,900.00	3 S	5.00	30.00	2 22	0.00	00.0	2 20	0.00	0.00	0.00	3 8	417.00	0.08	Aug		
,	0.00 0.00 225.00	000	1,517.00	00.714	9.00	gio	0.00	3 S	150,00	500.00	) 000 000 000 000 000 000 000 000 000 0	0.00	0.00	0 0 0	200	0.00	0.00	000	200	000	0.00	0.00	2 5	)       	00.00	0.00	2,990.00	2,900.00	25.00 00.58	5.00	30,00	3 8	0.00	0.00	3 6	9.0	0.00	0.00		00.0	00.0	Sep	·	
	0.00 225.00	0.00	70,716,	417.00	00.0	0.00	0,00	000	150.00	90,00	ė e	00.0	0.00	o ::	2,C	0.00	0.00	0.00	45.00	90,0	0.00	00.0	0.00		100.00	00.0	3,833.00	2,900.00	35.00	5.00	30.00	2 2	0.00	0.00	200	3 O. 6	0,00	0.00	3 6	218.00	0.00	Oct		
	0.00 0.00 225.00	0.00 0.00 0.00	1,270,000	417.00	0,00	200	0.00	0.00	150.00	500.00	9.00	2,0	0.00	0.00	2 0	0.00	0.00	<b>00</b> .0	350.00	9.0	0.00	0.0	0.00	0.00	00,00	0.00	2,990.00	2,900.00	35.00	5.00	30.00	0.00	0,00	0,00	3 5	20.00	0,00	99.0	3.5	900	0.00	Nov		
	225.00	00.0	1,010	417.00	0.00	0.00	0.00	00.0	150.00	500.00	0.00	0.00	0.00	0.00	000	000	0.00	0,00	20.02	9 00	0.00	0.00	0.00	9.6	100.00	00.0	2,990.00	2,900.00	35.00	5.00	30.00	3 5	0,00	0.00	3 2	: 6 8	0.00	0.00	9 5	0.00	6 6 6	Dec		
	0,00,007,3 0,00,007,3	00.0	i C	5,000.00	0.00	0.00	0.00	0.00	1,800.00	8,000.00	0.00	80.0	0.00	0,00	0.00	0.00	0.00	0.00	4 200.00	0.00	0.00	0.00	0.00		1,200,00	0.00	45,577.00	34,800,00	420.00	50.00	360.00	0.00	0.00	0,00	v 500 00	0.00	0,00	0.00	9.5	847.00	0.00	Total		

NET CASH FLOW	TOTAL ADJUSTMENTS TO CASH	Environmental Improvments	ADA improvements	Land Improvments	Bullows improvements	Caralle Hardenburg		Borbar Completions	Tland Leasing Heserve	Replacement Reserve	ESCIONO	Torrest.	Escrowa	CSCIONIS		Recorded .	Escriw'	3rd Mortgage - Principal	2nd Mortgage - Principal	1st Morigaga - Principal	ADJUSTMENTS TO CASH	NET INCOME		TOTAL DESIGNATIONS	Dayrechting Divisional Division		Decree and		NOI WITH DEBT EXPENSE	בייאר כחסי מליחושה	Coats Coats Attorney	or worldage meres	Zin wongage interest	Carl Michigage - Hitteress	DEBT EXPENSE	NET OPERATING INCOME	TOTAL OPERATING EXPENSES		TOTAL NON-DECOMEDABLE EVERNOCE	TOTAL OTHER NON-REC, EXPENSES	Ollier Taxes	Personal Property Taxes	Insurance - Other 2	Auto Insurance	Management/Fee Incentive	Broker Fees	Tenani improvements	Trash Removal	Lillies: WatedSewer Vocancy	Utilies: Gas Vacency	Utilities: Electric Vacancy	OTHER NON-RECOVERABLE EXPENSES	I CHALLEASING & MARKETING	Signage	Tenant Functions & Parties	Lobby Message Board	Lobby Furnishings	Mkt Studies			
20.239.19	4,190.16	0.00	0.00	0.00	0,00	2.00	2 5	200	3 491 83	698.33	0.00	3 5	9.00	0.00		2 100	0.00	0,00	0.00	0.00		24,429.35	00.0	000	2 6	0.00	200		24,429.35	41,845.83	00,0	0.00	0.00	59.584,15		65,275.18	31,958,63	1		607.00	0.00	0.00	0.00	0.00	0,00	00.0	0,00	00.0	0.00	402.00	205.00	G	225,00	0.00	0.00	0.00	00.0	00.0	Jan		
20,348.35	4,190.16	90.0	0.00	00.0	C.UU	0.00	9 6	1	3 491 63	698.33	0.00		200	0.00			200	00.0	0.00	000		24,538.51	dnn	or and	2 5	9 5	). 5	•	24,530.51	41,845.83	0.00	00.0	0.00	41,645,63		55,384.34	32,070.47	0,03100	500.00	599.00	0,00	0.00	0.00	<u> </u>	00.0	60,0	0.00	0.00	0.00	394,00	205.00		225.00	0.00	0.00	0.00	0,00	90.0	Feb		
25,612.35	4,190.16	0.00	0.00	0.00	0.00	0,00	3 5	2	3 491 83	698.33	0,00		2	0.00		2 6	9	0.00	0.00	0.00		29,802.51	טטט	. 0.00		900	2	•	28,802.51	41,845.83	00.0	odo	0.00	41,845,83		71,848.34	26,806.47	00.001,0		458.00	000	0.00	00.0	0.00	00.0	00.00	00.0	0.00	0.00	253.00	205,00		225.00	0.00	0.00	0.00	0.00	0,00	Mar		
7,483.03	4,190.16	0.00	00.0	0.00	0.00			3	3 491 83	698.33	0,00	3 6	9.00	0.00	0.00	3 8	9	9.9	0.00	0.00		11,673.19	U.UJ	0.50	3 8	3 6	3	•	11,673.19	41,845,83	0.00	0,00	0.00	41,845.83		53,519,02	31,924.81	0.000	20 024 3	101.00	0.00	0.00	0.00	00.00	0,00	000	0.00	0.00	00.0	196.00	205.00	,	225.00	0.00	0,00	0.00	0.00	0.00	Apr	ļ	2
3,824.03	4,190.16	0.00	000	0.00	200	2.0	2 2	2	3 491 89	698,33	11.00		2.00	0.00	4.40	2	2	0.00	0.00	000		8,014.19	U.U.U	0.00	9 5	2 6	3		8,014,19	41,845.83	00.0	0.00	0.00	41,545.83		49,860.02	35,583.81	1,400.00	44 400 00	324.00	0.00	00.00	00.0	00.0	200	0.00	0.00	00.0	0.00	119.00	205.00		225.00	0.00	0.00	0.00	0.00	0.00	May	Detailed By Month	2009 Onersting Burksel
11,287,03	4,190.16	0.00	80.0	0.00	2 6			200	3.491.83	698.33	0.00		900	0.00	0,00	9	200	0.00	0.00	0.00		15,477.19	ONL	0.50	200	3 6	3		15,477,19	41,845.83	0.00	0.00	0.00	41,845.83		57,393.02	28,120.81	מאמוטוב	2000	284,00	000	0.00	020	0.00	000	00.0	000	00.0	0.00	79.00	205.00		225,00	0.00	0,00	0.00	0.00	0.00	JUN	Month	. D. Marat
6,124,03	4,190.18	0.00	0.00	0,120	2 5	3 5	2 5		3.491.93	699.33	0.00	3 (	0.00	0.00		3	9,00	0.00	0.00	0,00		12,314.19	מענו	0.00	2 6	3 5	) )		12,314,18	41,845.83	0.00	0.00	0.00	41,845,83		54,160.02	32,333.B1	2,018,00	200	281,00	000	0.00	0.00	0.00	000	0.00	0.00	0.00	0,00	55,00	205,00		925,00	0.00	0.00	0.00	0.00	0.00	Ē		
12,882.00	4,190.16	0.00	0.00	200		3 8	2 5	2	9.491.63	698.33	0.00		00.0	0.00	,	3	0.00	00.00	0.00	0.00	r <b>k</b>	17,072.16	OWO	25.5	3 6		3		17,072.18	41,845.83	0.00	000	0.00	41,845,83		58,917.99	27,684.14	0,423,00	2 400 00	274.00	000	0.00	0,00	0.00	0.00	0.00	000	0.00	DOO	69.00	205.00		225.00	0,00	0.00	0.00	0.00	o.com	Aug		
13,880,80	4,190.16	UU.U	0.00	900	2 50		2 1	200	3,491,89	698.33	0.00	3	00.0	5.00	2 6	3	0.00	00.00	0.00	0.00	  -	18,071.06	0.00	0.20	200	3 5	3 00		18,071.08	41,845.83	0.00	0.00	00.0	41,045,83		59,916,09	26,786.18	norman'c	C Orm on	274.00	00.0	00.00	0,00	000	0.00	0,00	0.00	00.0	0.00	69,00	205.00		225.00	0.00	0.00	0.00	0.00	0.00	Sen		
10,286.90	4,190.16	0,00	2.0	2 50	3 8	3 6	000	p.00	9,491,89	698.33	20.00	3	00.0	no.u		3	0,00	0,00	0.00	00,00	3 1	14,477,08	0.02	S S S S S S S S S S S S S S S S S S S	2 2 2	3 6	3	•	14,477,05	41,845.83	0.00	0.00	0.00	41,845,83		56,322.89	30,380,18	00.719*0	E 0.77	302.00	00.0	0,00	0,00	0.00	0.00	0.00	00.00	0,00	00.0	97.00	205,00		225.00	0,00	OLLO	0.00	0.00	0.00	O <sub>E</sub>		
06-105/21	4,190,16	2000	9.6	2 6	2000	5 5	000	00.0	3,491.83	698.33	.0,0	3	<b>00.</b> 0	מעט		3	000	0.00	0,00	0.00	1	16,492.06	<b>0.00</b>	2.00	3 00	3 6	2	٠	16,492.06	41,845.83	ULU	00.0	0,00	41,845.83		58,337.89	28,465.18	OB'788'tr	10000	260,00	00.0	9	00.0	0.00	0.00	00,0	0.00	00.0	0,00	55,00	205,00		225.00	0.00	0.00	0,00	0.00	0.00	Nov		
10,422.30	4,180.16	04.00	200	0.00	0.00	000	0.00	9.28	3,491,63	688,33		3	2.00	SUL,	3 1	2	0.00	0.00	00,00	0,00	)	14,812.46	2.02	200	2	3 60	000		14,612.46	41,845,85	0.00	200	0.00	CO.C.		56,459,29	30,709,78	nn') Jate	, VO 644 5	645,00	0.00	0.00	0.00	000	0.00	0,00	0.00	0.00	0.00	440.00	205,00		825,00	00.0	90,00	0.00	0.00	0.00	Dec		
20,260,061	74197'00	50 00 00 E	3 8	2	0.00	000	0.00	0.00	41,901,96	0,3/9,80		0.00	0.00	u,rc	2	0.00	0.00	0.00	00.0	0.50	3	206,973.94	0.50	200	3	2 6	200		206,973,04	202,148.90	00.0	, r. 60	0.00	56.54.70c		709,123.90	362,824.26	7 6,700.00	100 00% FA	4,689,00	0.00	0.00	0.00	0.00	0,00	5,00	000	0.00	0,00	2,229,00	2,460.00		9,300.00	0.00	000,00	0.00	0.00	0.00	Total		

### **EXHIBIT B**

illegal parking stall that does





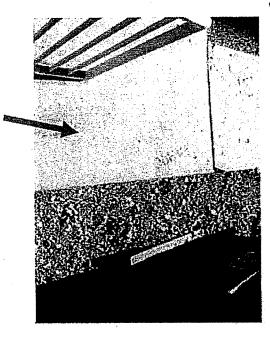
26 Inches from paint or bumper to rail.

Attempt to become ADA compliant by moving bumpers.

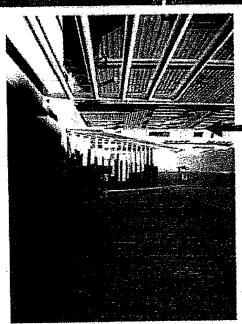
### **EXHIBIT C**



39 inches between rail and power box with only 22 inches of concrete and a 3 inch drop to gravel.

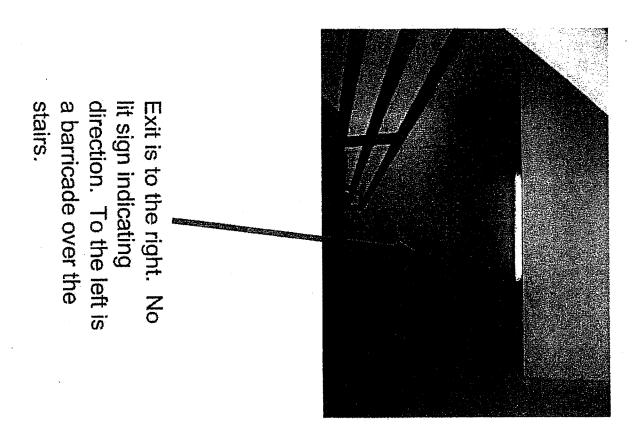


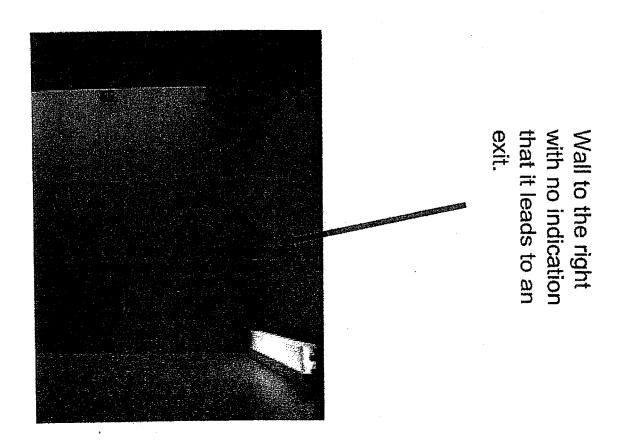
Stairwell is only 36 inches wide.



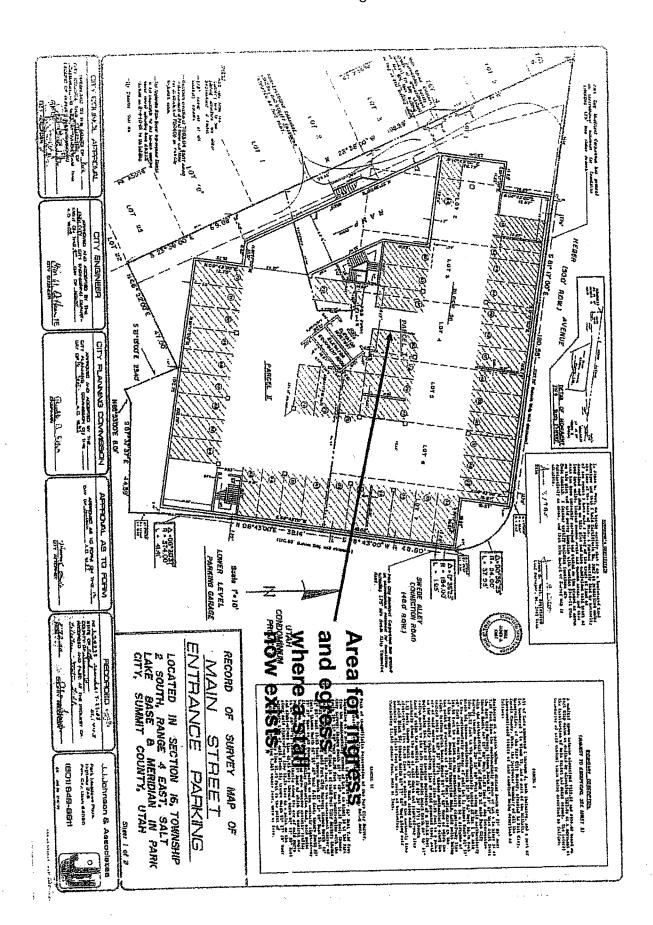
Alley way is primary fire exit for three additional buildings. Front and back shots of how alley pinches down into what an architect deemed a death trap.

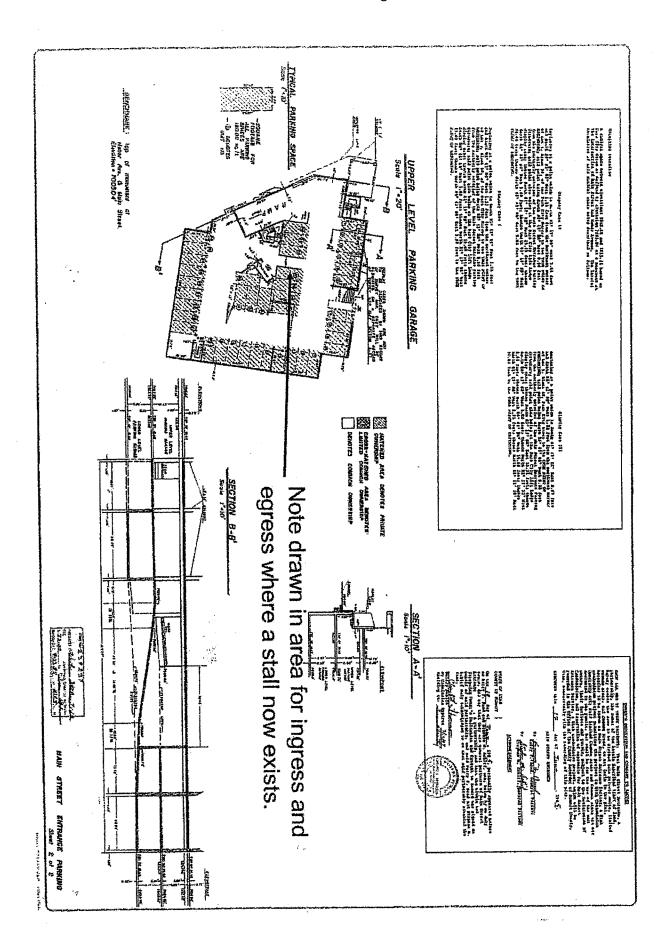
### **EXHIBIT D**





# EXHIBIT E





## **EXHIBIT F**

